

COMMUNITY REINVESTMENT AREA AGREEMENT

This agreement made and entered into by and between the City of Olmsted Falls, Cuyahoga County, Ohio, a Municipal Corporation, with its main offices located at 26100 Bagley Road, Olmsted Falls, Ohio 44138 (hereinafter referred to as "Olmsted Falls") and Jeffrey L. Hawkins, dba Uncle John's Plant Farm, Inc., an Ohio Corporation with its main offices located at 8579 Columbia Road, Olmsted Falls, Ohio 44138, (hereinafter referred to as "Property Owner"), **WITNESSETH;**

WHEREAS, Olmsted Falls has encouraged the development of real property and the acquisition of personal property located in the area designated as a Community Reinvestment Area; and

WHEREAS, Property Owner is desirous to construct a 10,500 square foot facility to use for planting operations and equipment storage, (hereinafter referred to as the "PROJECT") within the boundaries of the aforementioned Community Reinvestment Area, provided that the appropriate development incentives are available to support the economic viability of said PROJECT; and

WHEREAS, the City Council of Olmsted Falls, Ohio by Ordinance No. 27-2019 adopted May 24, 2019, designated the area as a "Community Reinvestment Area" pursuant Chapter 3735 of the Ohio Revised Code; and

WHEREAS, effective 10/25/2019 the Director of Development of the State of Ohio determined that the aforementioned area designated in said Ordinance No. 27-2019 contained the characteristics set forth in Section 3735.66 of the Ohio Revised Code and confirmed said area as a Community Reinvestment Area under said Chapter 3735; and

WHEREAS, Olmsted Falls, having the appropriate authority for the stated type of project, is desirous of providing Property Owner with incentives available for the development of the PROJECT in said Community Reinvestment Area under Chapter 3735 of the Ohio Revised Code; and

WHEREAS, Property Owner submitted a proposed agreement application (herein attached as Exhibit A) to Olmsted Falls said application (hereinafter referred to as "APPLICATION"); and

WHEREAS, Property Owner has remitted the required state application fee of \$750.00 made payable to the Ohio Department of Development with the application to be forwarded to said department with a copy of the final agreement; and

WHEREAS, the James P. Graven, Mayor of City of Olmsted Falls has investigated the application of Property Owner and has recommended the same to the City Council of Olmsted Falls on the basis that Property Owner is qualified by financial responsibility and business experience to create and preserve employment opportunities in said Community Reinvestment Area and improve the economic climate of Olmsted Falls; and

WHEREAS, the project site as proposed by Property Owner is located in the Olmsted Falls School District and the Board of Education of the Olmsted Falls City School District has been notified in accordance with Section 5709.83 and been given a copy of the APPLICATION; and

WHEREAS, pursuant to Section 3735.67(A) and in conformance with the format required

under Section 3735.671(B) of the Ohio Revised Code, the parties hereto desire to set forth their agreement with respect to matters hereinafter contained;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained and the benefit to be derived by the parties from the execution hereof, the parties herein agree as follows:

1. Property Owner shall to construct a 10,500 square foot facility to use for planting operations and equipment storage at 8579 Columbia Road, Olmsted Falls, Ohio, and known as PPN# 291-22-018.

The PROJECT will involve a total investment by Property Owner the sum of Four Hundred Thousand Dollars (\$400,000.00), plus or minus 10%, at 8579 Columbia Road.

The PROJECT will begin March 1, 2021 and all acquisition, construction and installation will be completed by December 31, 2021

2. While no new job opportunities will be created Property Owner shall will use its best efforts to retain 14 full-time existing jobs and 21 part-time existing jobs at the 8579 Columbia Road facility.

The retention of the existing jobs will maintain the current annual payroll of Six Hundred Fifty Thousand Dollars, (\$650,000.00).

3. Property Owner shall provide to the proper Tax Incentive Review Council any information reasonably required by the council to evaluate the property owner's compliance with the agreement, including returns filed pursuant to section 5711.02 of the Ohio Revised Code if requested by the council.
4. City of Olmsted Falls hereby grants Property Owner a tax exemption for real property improvements made to the PROJECT site pursuant to Section 3735.67 of the Ohio Revised Code and shall be in the following amounts:

Percentage of Exemption – 49%

Exemption Term – 15 Years

The exemption commences the first year for which the Real Property exemption would first be taxable were that property not exempted from taxation. No exemption shall commence after (December 31, 2021) nor extend beyond (December 31, 2036).

Property Owner must file the appropriate tax forms with the County Auditor to effect and maintain the exemptions covered in the agreement.

5. Property Owner shall pay an annual fee equal to the greater of one percent of the dollar value of incentives offered under the agreement or Five Hundred Dollars (\$500.00) provided, however, that if the value of the incentives exceeds Two Hundred Fifty Thousand Dollars (\$250,000.00), the fee shall not exceed Two Thousand Five Hundred Dollars (\$2,500.00).

The fee shall be made payable to the City of Olmsted Falls, in care of the finance department, once per year for each year the agreement is effective on the days and in the following forum certified check. This fee shall be deposited in a special fund created for such purpose and shall be used exclusively for the purpose of complying with section

3735.671(D) of the revised code and by the tax incentive review council created under section 3735.671(D) of the revised code exclusively for the purposes of performing the duties prescribed under that section.

6. Property Owner shall pay such real and tangible personal property taxes as are not exempted under this agreement and are charged against such property and shall file all tax reports and returns as required by law. Property Owner fails to pay such taxes or file such returns and reports, all incentives granted under this agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and thereafter.
7. Olmsted Falls shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve, and maintain exemptions from taxation granted under this agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.
8. If for any reason the Community Reinvestment Area designation expires, or if the Director of the Ohio Department of Development revokes certification of the zone, or if Olmsted Falls revokes the designation of the zone, entitlements granted under this agreement shall continue for the number of years specified under this agreement, unless Property Owner materially fails to fulfill its obligations under this agreement and Olmsted Falls terminates or modifies the exemptions from taxation granted under this agreement.
9. If Property Owner materially fails to fulfill its obligations under this agreement, or if Olmsted Falls determines that the certification as to delinquent taxes required by this agreement is fraudulent, Olmsted Falls may terminate or modify the exemptions from taxation granted under this agreement.
10. Property Owner hereby certifies that at the time this agreement is executed, Property Owner does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State of Ohio, and does not owe delinquent taxes for which Property Owner is liable under Chapter 5733., 5735., 5739., 5741., 5743., 5747., or 5753. of the Revised Code, or, if such delinquent taxes are owed, Property Owner currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State of Ohio or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has been filed against Property Owner. For the purposes of the certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Revised Code governing payment of those taxes.
11. Property Owner affirmatively covenants that it does not owe: (1) any delinquent taxes to the State of Ohio or a political subdivision of the State; (2) any moneys to the State or a state agency for the administration or enforcement of any environmental laws of the State; and (3) any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not.
12. Property Owner and Olmsted Falls acknowledge that this agreement must be approved by formal action of the legislative authority of Olmsted Falls as a condition for the agreement to take effect. This agreement takes effect upon such approval.
13. Olmsted Falls has developed a policy to ensure recipients of Community Reinvestment Area tax benefits practice non-discriminating hiring in its operations. By executing this

agreement, Property Owner is committing to following non-discriminating hiring practices acknowledging that no individual may be denied employment solely on the basis of race, religion, sex, disability, color, national origin, or ancestry.

14. Exemptions from taxation granted under this agreement shall be revoked if it is determined that Property Owner, any successor property owner, or any related member (as those terms are defined in Section 3735.671 of the Ohio Revised Code) has violated the prohibition against entering into this agreement under Division (E) of Section 3735.671 or Section 5709.62 or 5709.63 of the Ohio Revised Code prior to the time prescribed by that division or either of those sections.
15. Property Owner affirmatively covenants that it has made no false statements to the State or local political subdivisions in the process of obtaining approval of the Community Reinvestment Area incentives. If any representative of Property Owner has knowingly made a false statement to the State or local political subdivision to obtain the Community Reinvestment Area incentives, Property Owner shall be required to immediately return all benefits received under the Community Reinvestment Area Agreement pursuant ORC Section 9.66(C)(2) and shall be ineligible for any future economic development assistance from the State, any state agency or a political subdivision pursuant to ORC Section 9.66(C)(1). Any person who provides a false statement to secure economic development assistance may be guilty of falsification, a misdemeanor of the first degree, pursuant to ORC Section 2921.13(D)(1), which is punishable by a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months.
16. This agreement is not transferable or assignable without the express, written approval of Olmsted Falls.

IN WITNESS WHEREOF, the City of Olmsted Falls, Ohio, by James P. Graven, its Mayor, and pursuant to Ordinance No. 27-2019, has caused this instrument to be executed this _____ day of _____, 2021 and Jeffrey L. Hawkins, dba Uncle John's Plant Farm, LLC, its President, in two counterparts, has caused this instrument to be executed on this _____ day of _____, 2021.

City of Olmsted Falls

Jeffrey L. Hawkins, dba Uncle John's Plant Farm, LLC

By _____

Mayor

By _____

President

Approved as to form:

Andrew D. Bemer

Law Director

City of Olmsted Falls

A copy of this agreement must be forwarded to the Ohio Department of Development within fifteen (15) days of finalization.